

Mineral Industry Surveys

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TIN IN FEBRUARY 2005

Domestic consumption of primary tin in February was estimated by the U.S. Geological Survey to be slightly above that of January and 6% above that of February 2004. Estimated domestic consumption of primary tin in the first 2 months of 2005 was 5% greater than that for the comparable period of 2004.

The Platts Metals Week average composite price for tin in February was \$5.23 per pound, about 4% above that of January 2005 and about 21% above that of January 2004.

A major tin consulting firm revised upward its estimates of current and future world tin consumption. Global tin demand in 2004 increased 12%, a larger increase than for any other London Metal Exchange-listed metal. The firm observed that since 2000 the world tin market has expanded by some 100,000 metric tons per year (t/yr) with most of the gains recorded in the electronics sector in Asia. Tin production in China has also risen sharply, but most of the additional supply was being absorbed in China. Global demand was forecast to exceed supply again in 2005 (CRU Tin Monitor, 2005).

In Bolivia, Glencore International AG completed its acquisition of Compania Minera del Sur S.A. (Comsur), Bolivia's largest tin and zinc producer. Glencore reportedly paid \$220 million for the company. Comsur's tin interests were held in Compania Minera Colquiri, a joint venture with the British private finance company Actis (formerly the Commonwealth Development Corporation) (CRU Tin Monitor, 2005).

China's largest tin producer, Yunnan Tin Group, continued a major investment program aimed at making it the world's largest tin supplier. The company planned to invest \$36-\$60

million in the next 5 to 8 years in China and overseas. Yunnan Tin reportedly signed a letter of intent with an Indonesian company for a mine and smelter project in Indonesia and was also looking at building a tin smelter in Singapore. Yunnan Tin ranked second in world refined tin production in 2004, behind Minsur of Peru. Yunnan's production rose 15% to 36,300 metric tons in 2004. Although its growth in recent years has been attributed to the acquisition of small operations near Gejui in Yunnan province, the company appeared to be taking an increasing interest in overseas investments (CRU Tin Monitor, 2005).

In Brazil, two leading domestic tin producers announced plans to increase tin production over the next 2 years. Paranapanema's Mamore tin division planned to increase production to 10,500 t/yr by early 2006, when its Rocha Sa tin/tantalum project reached full capacity. Official statistics released by the tin producers' association SNIEE indicated that Brazilian tin mine production rose by 3% to 12,500 t in 2004 as small-scale tin miners reacted to higher world market prices. Refined tin production rose by 7% to 11,500 t. Virtually all the growth in production came from co-operatives and other small producers (CRU Tin Monitor, 2005).

Update

On April 8, 2005, the Platts Metals Week composite price for tin was \$5.30 per pound.

Reference Cited

CRU Tin Monitor, 2005, Industry News: CRU Tin Monitor, April, p. 7-8.

TABLE 1
SALIENT TIN STATISTICS¹

(Metric tons, unless otherwise noted)

	2005			
	2004 ^p	January	February	January-February
Production, secondary ^{e, 2}	10,800	900	900	1,800
Consumption:				
Primary	38,500	3,330 ^r	3,350	6,680
Secondary	8,200	767 ^r	770	1,540
Imports for consumption, metal	47,600	3,170	NA	NA
Exports, metal	3,650	212	NA	NA
Stocks at end of period	6,140	5,260 ^r	5,410	XX
Prices (average cents per pound): ³				
Metals Week composite ⁴	547.30	503.78	523.08	XX
Metals Week New York dealer	409.38	377.78	394.69	XX
London, standard grade, cash	385.00	351.00	366.00	XX
Kuala Lumpur	385.11	349.22	363.94	XX

^eEstimated. ^pPreliminary. ^rRevised. NA Not available. XX Not applicable.

¹Data are rounded to no more than three significant digits, except prices.

²Includes tin recovered from alloys and tinplate. The detinning of tinplate (coated steel) yields only a small part of the total.

³Source: Platts Metals Week.

⁴The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

TABLE 2
METALS WEEK COMPOSITE PRICE¹

(Cents per pound)

Period	High	Low	Average
2004:			
February	456.45	429.49	442.15
March	549.13	459.43	495.71
April	596.03	561.93	575.65
May	624.98	575.07	592.12
June	622.44	568.24	589.38
July	583.13	565.64	576.07
August	590.50	563.04	573.74
September	585.04	566.00	576.55
October	586.56	568.98	578.10
November	584.93	570.24	580.02
December	569.06	505.64	555.57
Year	624.98	424.94	547.30
2005:			
January	521.70	492.15	503.78
February	544.11	511.92	523.08

¹The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

Source: Platts Metals Week.

TABLE 3
TINPLATE PRODUCTION AND SHIPMENTS IN THE UNITED STATES¹

(Metric tons, unless otherwise noted)

Period	Tinplate waste (waste, strips, cobble, etc.) (gross weight)	Tinplate (all forms)			Shipments ²
		Gross weight	Tin content	Tin per metric ton of plate (kilograms)	
2004: ^P	W	2,550,000	7,700	3.0	2,190,000
December	W	196,000	588	3.0	198,000
2005:					
January	W	207,000	676	3.3	144,000
February	W	202,000	684	3.4	NA

^PPreliminary. NA Not available. W Withheld to avoid disclosing company proprietary data.

¹Data are rounded to no more than three significant digits.

²Source: American Iron and Steel Institute monthly publication.

TABLE 4
U.S. TIN IMPORTS FOR CONSUMPTION AND EXPORTS¹

(Metric tons)

Country or product	2004		2005
	Year	December	January
Imports:			
Metal (unwrought tin):			
Bolivia	5,060	639	342
Brazil	4,330	274	125
Chile	281	--	--
China	5,310	374	256
Indonesia	4,660	120	120
Japan	540	--	--
Malaysia	6,600	969	502
Peru	19,600	2,310	1,800
Switzerland	178	--	--
Thailand	500	40	--
United Kingdom	97	--	--
Other	472	--	21
Total	47,600	4,720	3,170
Other (gross weight):			
Alloys	5,180	197	339
Bars and rods	625	9	35
Foil, tubes, pipes	6	--	--
Plates, sheets, strip	509	4	12
Waste and scrap	1,950	72	189
Miscellaneous	3,330	234	273
Total	11,600	516	848
Exports (metal)	3,650	229	212

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

Source: U.S. Census Bureau.

TABLE 5
CONSUMPTION OF TIN IN THE UNITED STATES, BY FINISHED PRODUCT¹

(Metric tons of contained tin)

Product	2005							
	2004 ^P	January			February			January-February
		Primary	Secondary	Total	Primary	Secondary	Total	
Alloys (miscellaneous) ²	2,800	230 ^r	W	230 ^r	226	W	226	456
Babbitt	264	24 ^r	W	24 ^r	62	W	62	86
Bar tin and anodes	182	25	W	25	25	W	25	50
Bronze and brass	2,490	177	130	307	174	133	307	614
Chemicals	8,490	728	W	728	728	W	728	1,460
Collapsible tubes and foil	W	W	W	W	W	W	W	W
Solder	12,500	732	326	1,060	708	326	1,030	2,090
Tinning	451	60 ^r	--	60 ^r	61	--	61	121
Tinplate ³	7,700 ^r	676	--	676	684	--	684	1,360
Tin powder	W	W	--	W	W	--	W	W
White metal ⁴	W	W	--	W	W	--	W	W
Other	1,000 ^r	79 ^r	11 ^r	90 ^r	79	11	90	180
Total reported	35,900	2,730 ^r	467 ^r	3,200 ^r	2,750	470	3,220	6,420
Estimated undistributed consumption ⁵	10,800	600	300	900	600	300	900	1,800
Grand total	46,700	3,330 ^r	767 ^r	4,100 ^r	3,350	770	4,120	8,220

^PPreliminary; ^rRevised. W Withheld to avoid disclosing company proprietary data; included with "Other." -- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes terne metal.

³Includes secondary pig tin and tin components of tinning chemical solutions.

⁴Includes pewter, britannia metal, and jewelers' metal.

⁵Estimated consumption of plants reporting on an annual basis.